



**State of Connecticut**  
**HOUSE OF REPRESENTATIVES**  
STATE CAPITOL  
HARTFORD, CONNECTICUT 06106-1591

**REPRESENTATIVE MARY M. MUSHINSKY**  
EIGHTY-FIFTH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING  
ROOM 4038  
HARTFORD, CT 06106-1591  
HOME: (203) 269-8378  
CAPITOL: (860) 240-8500  
TOLL FREE: 1-800-842-8267  
E-mail: [Mary.Mushinsky@cga.ct.gov](mailto:Mary.Mushinsky@cga.ct.gov)

**CO-CHAIR**  
PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE

**MEMBER**  
ENVIRONMENT COMMITTEE  
FINANCE REVENUE AND BONDING COMMITTEE

**Testimony of Rep. Mary Mushinsky (85<sup>th</sup>) in Support of SB 226, An Act Concerning  
Reverse Mortgage Transactions**

**Before the Banks Committee**  
**Thursday, February 25, 2013**

**3:00 p.m. in Room 2B**

The legislature usually takes action only after an incident points out a flaw in the statutes. This bill, similar to my bill HB 5565 of 2013, seeks to prevent elder abuse in Connecticut in the reverse mortgage market before disreputable practices seen in other states arrive here. While reverse mortgages can be a useful tool for seniors to pay for necessary home repairs, medical bills or other unexpected crisis, there have also been abuses recorded in other states.

The worst of these is a deliberate practice by some lenders to place only the older of two spouses on a reverse mortgage deed. Upon the death of the older spouse, the surviving, younger spouse is evicted and the house sold by the lender. According to news reports, these surviving spouses were completely caught off guard by this shocking development and were left homeless in their remaining years—not at all what they envisioned when the salesperson approached the couple with an offer of assistance. Some lenders even offered their salespeople bonuses for single spouse sign-ups.

According to OLR report 2013-R-0076, which is attached, Connecticut's statutes currently do not prohibit the practice of leaving off the younger spouse, so I ask the Banks Committee to approve a bill which would protect the second, younger spouse from eviction from their own home. The second spouse may not comprehend the danger they face if the first spouse dies before them. Thank you for hearing this bill.